The Director of Central Intelligence Washington, D.C. 20505

29 January 1985

National Intelligence Council

Brigadier General Anthony Smith Principal Director of Europe-NATO Policy International Security Policy Office of Secretary of Defense Washington, D.C.

Dear General Smith:

At the risk of giving you more information on Iceland than even your involvement in the Rainbow embroglio has already forced you to absorb, I want to pass on to you some interesting findings of Icelandic scholar Olafur Th. Hardarson on Attitudes of Icelanders to Security, Foreign Affairs.

You, will clearly not want to read the entire study so let me point out the findings that bear most directly in the US-Iceland relationship. The news is essentially good:

- -- About 80% of those Icelanders taking a position of support continued membership in NATO. (About 34% have no opinion.)
- -- About 64% are in favor of the US presence at Keflavik Air Base. (About 3% have no opinion on this issue.)
- -- About 63% believe Iceland ought to be paid rent for Keflavik 30% are opposed, and 9% say they have mixed feelings. (About 4% have no opinion on this issue.)

My conclusion from all of this is that, on the one hand, the majority of Icelanders favor the current security relationship with the US. But that, on the other hand, an equally significant majority of them is also very sensitive to the financial arrangements between our two countries—something which has a clear bearing on the shipping agreement.

With best regards.

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George Kolt, Colonel USAF National Intelligence Officer for Europe